

**STATE OF SOUTH CAROLINA****(Caption of Case)****Duke Energy Carolinas, LLC's Quarterly Financial Reports****BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA****COVER SHEET****DOCKET****NUMBER: 2006 - 268 - E****(Please type or print)****Submitted by: Catherine E. Heigel****SC Bar Number: 9268****Address: 526 S. Church Street, EC 03T****Telephone: 704-382-8123****Charlotte, NC 28202****Fax: 704-382-5690****Other:****Email: Catherine.Heigel@duke-energy.com**

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

**DOCKETING INFORMATION (Check all that apply)**

- ☐ Emergency Relief demanded in petition      ☐ Request for item to be placed on Commission's Agenda expeditiously
- ☒ Other: Quarterly Report for the twelve months ending June 30, 2009

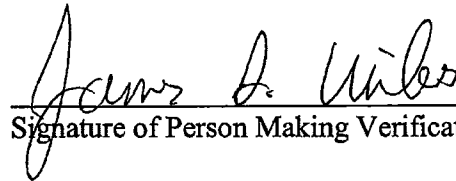
INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certificatio	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigator	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input checked="" type="checkbox"/> Report		

South Carolina

**CERTIFICATION**

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, James D. Wiles, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.



Signature of Person Making Verification

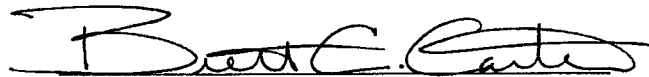
James D. Wiles

Typed or Printed Name of Person Signing

VP, Franchised Electric and Gas Accounting  
Title

08/26/09

Date Signed



Signature of President

Brett C. Carter

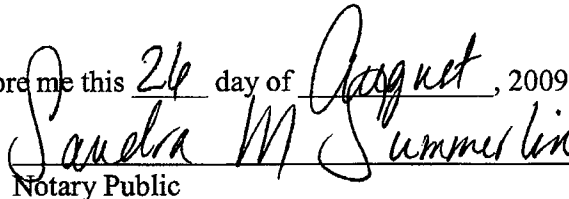
Typed or Printed Name of Person Signing

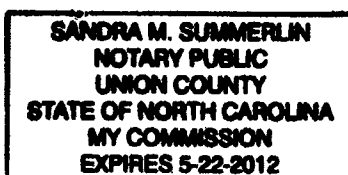
President, Duke Energy Carolinas  
Title

08/26/09

Date Signed

Subscribed and sworn to before me this 26 day of August, 2009.

  
Notary Public



My Commission Expires: 5-22-2012

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjs (a) (Col. 3)	As Adjusted (Col. 4)
1	Electric operating revenue	\$5,647,924		\$1,338,856	(\$1,274)	\$1,337,582
2	Electric operating expenses:					
3	Operation and maintenance:					
4	Fuel used in electric generation	1,525,514		369,880	(1,248)	368,632
5	Purchased power and net interchange	210,149		40,242	(32)	40,210
6	Wages, benefits, materials, etc.	1,578,008		370,911	168	371,079
7	Depreciation and amortization	686,047		165,198	5,322	170,520
8	General taxes	323,592		65,689	2,849	68,538
9	Interest on customer deposits	4,182		598	0	598
10	Income taxes	380,632		95,480	(745)	94,735
11	Amortization of investment tax credit	(7,942)		(1,840)	7	(1,833)
12	Total electric operating expenses	4,700,182		1,106,158	6,321	1,112,479
13	Operating income	\$947,742		232,698	(7,595)	225,103
14	Add: Customer growth adjustment				402	402
15	Income for return			\$232,698	(\$7,193)	\$225,505
16	Original cost rate base (b)			\$2,848,253	\$118,276	\$2,966,529
17	Rate of return on South Carolina retail rate base			8.17%		7.60%

Notes: (a) From Page 3, "Total adjustments" line.

(b) From Page 4, Line 11.

Line No.	Description	Total Company Capitalization June 30, 2009		South Carolina Retail			Pro forma		
		Amount (Col. 1)	Ratio (a) (Col. 2)	Retail Rate Base (Col. 3)	Per Book Embedded		Retail Rate Base (Col. 6)	Embedded	
					Cost/ Return % (Col. 4)	Operating Income (Col. 5)		Cost/ Return % (Col. 7)	Operating Income (Col. 8)
1	Long-term debt	\$6,516,357	45.00%	\$1,281,714	5.49%	\$70,366	\$1,334,938	5.49%	\$73,288
2	Preferred stock	0	0.00%	0	0.00%	0	0	0.00%	0
3	Members' equity	7,964,437	55.00%	1,566,539	10.36%	162,332	1,631,591	9.33%	152,217
4	Total	<u>\$14,480,794</u>	<u>100.00%</u>	<u>\$2,848,253</u> (b)		<u>\$232,698</u> (c)	<u>\$2,966,529</u> (d)	(f) (g)	<u>\$225,505</u> (e)

Notes: (a) The actual capitalization ratios at end of period are 45.34% for long-term debt, 0.00% for preferred stock, and 54.66% for members' equity.

(b) From Page 4, Line 11, Column 2.

(c) From Page 1, Line 15, Column 2.

(d) From Page 4, Line 11, Column 4.

(e) From Page 1, Line 15, Column 4.

(f) If adjusted for weather, this rate would be 8.98%.

(g) Excludes pre-tax non-firm wholesale sales profits for the total system of approximately \$21 million for the 12 mos ended 06/30/09. A net of tax South Carolina Retail allocation of profits would amount to approximately \$3 million.

Line No.	Description	Electric Operating Revenue (Col. 1)	Fuel Used in Electric Generation (Col. 2)	Purchased Power and Net Interchange (Col. 3)	Wages Benefits Materials Etc. (Col. 4)	Depreciation and Amortization (Col. 5)	General Taxes (Col. 6)	Interest on Customer Deposits (Col. 7)	Income Taxes (Col. 8)	Amortization of ITC (Col. 9)	Net Operating Income (Col. 10)
1	To annualize depreciation on year-end plant					(\$42)			\$16		\$26
2	To annualize wage rate increases				\$1,490		\$554		(802)		(1,242)
3	To annualize property taxes on year-end plant						1,756		(689)		(1,067)
4	To reflect CWIP closings to plant					6,003	761		(2,653)		(4,111)
5	To adjust income taxes to reflect interest synchronization								2,433		(2,433)
6	To exclude Greenwood operations	(1,274)	(\$1,248)	(\$32)	(1,322)	(639)	(222)	\$0	950	\$7	1,232
7	Total adjustments	(\$1,274)	(\$1,248)	(\$32)	\$168	\$5,322	\$2,849	\$0	(\$745)	\$7	(\$7,595)

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Electric plant in service	\$25,210,964		\$5,919,434	\$133,511	\$6,052,945
2	Less: Accumulated depreciation and amortization	(11,524,752)		(2,618,244)	(5,961)	(2,624,205)
3	Net electric plant	13,686,212		3,301,190	127,550	3,428,740
4	Add: Materials and supplies	823,077	24.2018%	200,369	888	201,257
5	Working capital investment	900,318	22.9264%	198,760	0	198,760
6	Plant held for future use	3,084	23.2521%	717	0	717
7	Less: Accumulated deferred taxes	(2,578,272)	28.3451%	(730,813)	0	(730,813)
8	Operating reserves	(434,973)	24.3781%	(106,038)	0	(106,038)
9	Customer deposits	(72,669)		(15,932)	0	(15,932)
10	Greenwood				(10,162)	(10,162)
11	Total original cost rate base	\$12,326,776		\$2,848,253	\$118,276	\$2,966,529

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$12,844,046		\$2,890,722	\$77,110	\$2,967,832
2	Transmission	2,379,461	19.5292%	464,691	13,286	477,977
3	Distribution (b)	8,231,540	25.8207%	2,125,441	24,464	2,149,905
4	General	569,354	24.1712%	137,620	9,499	147,119
5	Intangible	311,526	24.2591%	75,574	9,152	84,726
6	Subtotal	24,335,927	23.3977%	5,694,048	133,511	5,827,559
7	Nuclear fuel	875,037	25.7574%	225,386		225,386
8	Total electric plant in service	\$25,210,964 (a)		\$5,919,434	\$133,511	\$6,052,945

Notes: (a) Excludes electric plant held for future use of \$3,084 thousand,  
electric plant acquisition adjustments of \$284 thousand  
and other electric plant adjustments of \$1,013 thousand.

(b) The accounting adjustment in Col. 3 represents non-growth related  
additions to distribution plant.

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$6,089,723		\$1,238,801	\$6,522	\$1,245,323
2	Transmission	1,094,478	19.4435%	212,805	(999)	211,806
3	Distribution	3,459,123		942,992	(6,168)	936,824
4	General	72,536	24.2018%	17,555	4,775	22,330
5	Intangible	<u>241,146</u>	<u>24.8205%</u>	<u>59,854</u>	<u>1,831</u>	<u>61,685</u>
6	Subtotal	10,957,005	22.5610%	2,472,007	5,961	2,477,968
7	Nuclear fuel	<u>567,747</u>	<u>25.7574%</u>	<u>146,237</u>		<u>146,237</u>
8	Total accumulated depreciation and amortization	<u>\$11,524,752 (a)</u>		<u>\$2,618,244</u>	<u>\$5,961</u>	<u>\$2,624,205</u>

The annual composite rates for computing depreciation  
(straight-line method) are shown below.

9	Steam production plant	3.57%
10	Nuclear production plant (excluding nuclear decommissioning)	2.35%
11	Hydro production plant	3.44%
12	Combustion turbines	3.62%
	Transmission plant:	
13	Right-of-way	1.16%
14	Other	2.03%
15	Distribution plant	2.33%
16	General plant	Various
17	Land Rights	0.81% - 1.88%
18	Intangible plant	20.00%

Note: (a) Excludes amortization of electric plant acquisition  
adjustment of \$175 thousand.



Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
	Fuel stock:				(a)	
1	Coal	\$381,684	25.7574%	\$98,312	\$0	\$98,312
2	Oil	30,431	25.7574%	7,838	888	8,726
3	Total fuel stock	412,115		106,150	888	107,038
4	Other electric materials and supplies and stores clearing	410,962	22.9264%	94,219	0	94,219
5	Total materials and supplies	<u>\$823,077</u>		<u>\$200,369</u>	<u>\$888</u>	<u>\$201,257</u>

Notes: (a) Adjustment to per book oil inventory balance  
to reflect target inventory level.

Oil inventory target level (in gallons)  
Price per gallon - oil

21,042,000  
\$1.61

Total company pro forma inventory  
Per book oil inventory  
Oil adjustment

\$33,878

25.7574%

\$8,726

7,838

\$888

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Twelve months operating and maintenance expenses, exclusive of purchased power and nuclear fuel expense	<u>\$2,945,020</u>		<u>\$699,877</u>		<u>\$699,877</u>
2	1/8 of O&M expenses on line 1	\$368,128		\$87,485		\$87,485
3	Less: average taxes accrued	<u>(40,342)</u>		<u>(13,732)</u>		<u>(13,732)</u>
4	Subtotal	327,786		73,753	\$0	73,753
5	Required bank balances	392	23.6239%	93		93
6	Bond reacquisition premiums	90,405	15.3941%	13,917		13,917
7	Prepayments	481,735	23.0411%	110,997		110,997
8	Total working capital investment	<u>\$900,318</u>		<u>\$198,760</u>	<u>\$0</u>	<u>\$198,760</u>

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$1,964,947	24.5246%	\$481,895	\$0	\$481,895
2	Transmission	63,015	19.4407%	12,251	0	12,251
3	Distribution	92,829	25.8207%	23,969	0	23,969
4	General	23,239	24.1712%	5,617	0	5,617
5	Intangible	<u>204,278</u>	24.2591%	<u>49,556</u>	<u>0</u>	<u>49,556</u>
6	Total construction work in progress	<u>\$2,348,308</u>		<u>\$573,288</u>	<u>\$0</u>	<u>\$573,288</u>

Duke Energy Carolinas, LLC  
FIXED CHARGES COVERAGE: SEC METHOD  
EARNINGS PER SHARE  
SC Quarterly for 06/30/09

Page 5

Line

No. Description

12 Months Ended 06/30/09

1	SEC Fixed Charges Coverage	3.67
2	Earnings per Share	\$1.20

Line No.	Item	Total Company (a)	Wholesale Jurisdiction (b)	% of Total (c)	N.C. Retail (d)	% of Total (e)	S.C. Retail (f)	% of Total (g)
<u>Operating Revenues (\$000s)</u>								
1	Residential	\$2,277,857			\$1,748,403	76.7565%	\$529,454	23.2435%
2	Commercial	\$1,824,034			\$1,421,431	77.9279%	\$402,603	22.0721%
3	Industrial	\$997,295			\$591,915	59.3520%	\$405,381	40.6480%
4	Public Street & Hghwy Lighting	\$35,715			\$30,623	85.7429%	\$5,092	14.2571%
5	Interdepartmental	\$0			\$0	0.0000%	\$0	0.0000%
6	Sales for Resale:							
7	Special Contract	\$311,461	\$224,625	72.1198%	\$86,456	27.7583%	\$380	0.1219%
8	Other	\$53,858	\$53,858	100.0000%	\$0		\$0	
9	Total Rev from Sales of Electricity	\$5,500,221	\$278,483	5.0631%	\$3,878,828	70.5213%	\$1,342,909	24.4155%
<u>Kilowatthour Sales (000s)</u>								
10	Residential	27,624,903			21,082,561	76.3172%	6,542,341	23.6828%
11	Commercial	27,249,095			21,484,588	78.8451%	5,764,507	21.1549%
12	Industrial	20,531,943			12,236,765	59.5987%	8,295,178	40.4013%
13	Public Street & Hghwy Lighting	285,757			243,478	85.2048%	42,278	14.7952%
14	Interdepartmental	0			0	0.0000%	0	0.0000%
15	Sales for Resale:							
16	Special Contract	5,087,973	3,669,435	72.1198%	1,412,338	27.7583%	6,203	0.1219%
17	Other	1,111,482	1,111,482	100.0000%				
18	Total KWH Sales	81,891,152	4,780,917	5.8381%	56,459,729	68.9448%	20,650,507	25.2170%
<u>Revenue Per KWH Sold (Cents)</u>								
19	Residential	8.25			8.29		8.09	
20	Commercial	6.69			6.62		6.98	
21	Industrial	4.86			4.84		4.89	
22	Public Street & Hghwy Lighting	12.50			12.58		12.04	
23	Interdepartmental	0.00			0.00		0.00	
24	Sales for Resale:							
25	Special Contract	6.12	6.12		6.12		6.12	
26	Other	4.85	4.85					
27	Total Revenue per KWH Sold	6.72	5.82		6.87		6.50	